

Ljubljana Stock Exchange Inc. General Terms and Conditions of Providing Electronic Services to Members

1. Preamble

- 1.1. The Ljubljana Stock Exchange Inc. General Terms and Conditions of Providing Electronic Services to Members ("General Terms and Conditions") stipulate the general terms of providing electronic services ("ES"), leasing ES and charging for ES, market data use, responsibilities and copyright protection related to ES for members.
- 1.2. Aside from these General Terms and Conditions the manner and terms of providing services are further stipulated by the Ljubljana Stock Exchange Inc. Electronic Services Lease Agreement ("LJSE ES Lease Agreement"), Ljubljana Stock Exchange Inc. Rules and Ljubljana Stock Exchange Inc. Instructions.

2. Definitions

- 2.1. The terms given below are used as follows in these General Terms and Conditions:
 - **ES** are all Ljubljana Stock Exchange ("LJSE") information services provided through the use of electronic media and computer hardware and software, as well as all supporting services related to these information services.
 - **ES for Lease** are those ES that can only be accessed after entering into a contractual relationship with LJSE.
 - **Public ES** are those ES that can be accessed without entering into a contractual relationship with LJSE.
 - **User** is a natural or legal person who uses ES directly.
 - **Client** is a natural or legal person that enters into a contractual relationship with LJSE and thus leases ES for Lease and defines ES service levels.
 - **Authorized User** is a natural person authorized by the Client to use a certain Leased ES.
 - **Data Vendor** is a Client that has entered into a contractual relationship with LJSE to lease a certain ES in order to redistribute obtained data.
 - **BIS** is a comprehensive LJSE information system that provides electronic and information support to LJSE business activities. The system includes various ES, which differ according to how they work, their functionalities and capacities as well as according to the volume, significance and use of distributed and contained data.
 - **User Manual** lays down into detail the functionality, works, minimum technical standards and anticipated manner of use for each ES.

3. Electronic Services (ES)

- 3.1. Information system XETRA® is an international trading platform and registered trademark of Deutsche Börse, Frankfurt, which acts as a subcontractor of LJSE in providing services to LJSE members. Trading system XETRA enables access to the central trading platform via the workstation J-Trader and electronic interface XETRA VALUES API.

- 3.2. The electronic interface CEESEG FIX is an international information system for the integration of electronic systems and provision of investment services related to trading, which enables on-line connectivity to the members' back office systems. TTR is an international information system facilitating trade reporting. Both systems are registered trademarks of Wiener Börse, Vienna, which acts as a subcontractor of LJSE in providing services to LJSE members.
- 3.3. LJSE is the services provider of the stock exchange information system ("BIS"), which includes the following ES for Lease:
- **access to LJSE communication network ("CN")** is a LJSE service offered locally, which enables members to use LJSE ES through an MPLS network provided by an external provider on the basis of an agreement entered into with LJSE and the member. CN is the member's primary access to ES, while secondary (backup) access to ES is enabled through ISDN technology and minimum access is through the Internet;
 - **Xetra platform J-Trader ("J-Trader")** enables members to manage orders, execute trades and access all real-time market data (closing price, best ask and bid, market depth, trading volume and other statistical data) through a user interface;
 - **electronic interface Xetra VALUES API ("VALUES API")** stands for Virtual Access Link Using Exchange Services Application Programming Interface, which enables members to access all real-time market data and manage orders, and has a functionality comparable to platform J-Trader. The members' software to access VALUES API at LJSE must be provided by the member, while the interface may only be used by users previously registered by the LJSE;
 - **electronic interface CEESEG FIX ("CEESEG FIX")** stands for Financial Information eXchange Protocol, a direct connection between trading system Xetra and Clients' electronic systems running on FIX protocol. It enables members to access all real-time market data and manage orders, and has a functionality comparable to platform J-Trader. The members' software to access CEESEG FIX at LJSE must be provided by the member;
 - **trade reporting facility ("TTR")** is operated via J-Trader and enables members to comply with their trade reporting obligations pursuant to Articles 22 and 28 of the MiFID with respect to trades in shares listed on European stock exchange markets;
 - **access to historical market data ("BorzaNet")** is a LJSE service offered locally, which enables Clients to access historical and real-time market data (prices, best ask and bid, concluded trades, trading volume and other statistical data), whereby members who file a special application are granted access to the history of their orders and trades;
 - **access to platform J-Trader via the LJSE terminal server** is a service enabling access to J-Trader using a standard communication protocol (RDP – Remote Desktop Protocol) without requiring any major interventions into the configuration of the members' networks (implementation of Xetra specific network communication protocols). Terminal servers are located on LJSE's premises and have several users from different members connected to them.
- 3.4. Members leasing the above ES gain access to LJSE market data that can only be used by traders under these General Terms and Conditions and the ES Lease Agreement. To use these data for other purposes members should enter into the Market Data Agreement.

- 3.5. Detailed descriptions of how each ES works, their technical specifications and individual activities are provided in the documents on the works and use of ES, such as:
- User Manual for each ES,
 - data sheets for standardized informing and reporting,
- where they are provided chiefly in the form, language and manner as provided by Deutsche Börse, Frankfurt and/or Wiener Börse, Vienna.
- 3.6. LJSE reserves the right to change the functionality of each ES, whereby it will strive, with due skill, care and diligence, to maintain the same level and scope of each service for its Clients and facilitate smooth operations.

4. Clients

- 4.1. ES for Lease are intended mainly for LJSE members, Data Vendors and others, chiefly financial institutions. Apart from those intended solely for LJSE members, they can also be leased by all other legal or natural persons.
- 4.2. Public ES are accessible without users having to enter into a lease agreement with LJSE. Their use is governed by other general terms and conditions for using LJSE ES. Public ES include the LJSE public website, SEOnet and INFO STORAGE information portals, etc.

5. Accessibility of ES

- 5.1. As a rule, ES for Lease are available in the Republic of Slovenia each working day between 8.00 and 16.00, unless specified or provided for otherwise in a specific ES Lease Agreement.
- 5.2. LJSE reserves the right to temporarily change access to one or several ES.

6. Technical Terms of Use for Leased ES

- 6.1. ES for Lease differ according to complexity of provision and the related required minimum technical conditions for providing ES. LJSE prescribes these technical conditions in the User Manual for each ES.
- 6.2. LJSE's provision of ES includes its implementing protective measures to prevent the break-in and spreading of computer viruses, and measures to prevent malicious break-ins into the LJSE information systems, into LJSE ES and into related information systems.
- 6.3. The Client commits to take all necessary measures to prevent, with due care and diligence, the entry of computer viruses into the LJSE information system and to prevent malicious break-ins into the LJSE electronic or information system or related systems.
- 6.4. LJSE is not liable for any damages that the Client suffers or might suffer on account of its not meeting the technical conditions from par. 1 of Article 6 of these General Terms and Conditions, neither is it liable for any damages incurred as a result of the Client's inadequate use of ES.

7. Connecting to Leased ES

- 7.1. LJSE enables Clients to connect to one of the ES not later than within eight (8) working days after entering into the ES Lease Agreement with the Client and after the connectivity conditions stipulated in the Agreement have been met.
- 7.2. After being connected to ES, Authorized Users are assigned identification elements for logging into ES.

8. User Identification

- 8.1. The Client guarantees that upon each login its Authorized Users will use the identification elements assigned by LJSE in line with the methodology prescribed by LJSE. LJSE reserves the right to change the methodology for assigning and using identification elements. In case of any such change LJSE commits to ensure, to the largest extent possible and with due skill, care and diligence, a smooth and undisturbed use of all ES for its Clients.
- 8.2. The Client commits to protect the identification element as business secret and only use it in the capacity of Authorized User, otherwise being liable for any damages suffered by LJSE. The Client also commits to reimburse LJSE for any damages it might incur as a result of the Client's identification elements being abused.
- 8.3. The Client is obliged to inform LJSE of its Authorized Users in writing. The Client is also obliged to inform LJSE in writing of any suspicions that an identification element might be used by an unauthorized user and provide all known facts in that regard. In such an event LJSE will assign the Client with a new identification element as soon as practicable.
- 8.4. The Client is obliged to make sure that Authorized Users, when possible, use and change their complex passwords regularly.

9. Training for the Use of ES

- 9.1. LJSE will provide the User and Clients or its Authorized Users training for the use of each ES, by providing a User Manual, organizing training sessions, holding lectures and presentations, enabling trial use and similar.
- 9.2. The previous paragraph of this Chapter does usually not apply to Public ES.

10. Rates and Charges

- 10.1. In exchange for being granted access to one of LJSE's ES, the Client is obliged to settle the monthly lease fee to LJSE, pursuant to the current ES Fee Schedule. LJSE will issue the Client with an invoice for the monthly ES lease fee. In case of late payment LJSE may restrict the Client's access to ES; however, such a restriction does not lift the Client's obligation to pay its liabilities in full.

- 10.2. LJSE charges the fees from the previous paragraph at the end of each month, for the current month. In calculating the amount of the first monthly lease fee, LJSE takes into account the number of working days in the current month in which the Client's Authorized Users had access to individual ES, and invoices the Client for a proportionate amount.

11. Reporting Malfunctions

- 11.1. The Client is obliged to inform LJSE (its authorized officer) of all disruptions related to the works of ES, immediately upon discovery and by e-mail to the address given in Chapter 13.4 hereunder. LJSE may determine or prescribe a more detailed procedure of reporting disruptions. After submitting such a report to LJSE, the Client is obliged to follow LJSE's instructions.
- 11.2. If the Client fails to comply with its reporting obligation from the previous paragraph of this Chapter, LJSE will not be held liable for not eliminating errors in a timely and adequate manner nor will it be held liable for any other damage incurred on account of this omission.

12. Elimination of Technical Errors

- 12.1. When a technical error related to a particular ES is reported correctly, LJSE (its authorized officer) will make sure it is eliminated as soon as practicable. This is under the condition that the error is related to the segment of the computer system operated by LJSE.
- 12.2. When this is necessary in the course of eliminating the error, the Client allows LJSE's authorized officer to enter its premises and access its hardware, software and communication equipment in the scope required to establish a diagnosis and eliminate the error. LJSE's on-site officer will comply with the Client's security and other requirements.
- 12.3. If the User/Client misuses the equipment and services or in any other way causes disturbances and/or errors in the works of any ES and/or causes damages to the other Users/Clients or LJSE, or – in case of Leased ES – breaches its contractual obligations in any other way, LJSE reserves the right to restrict or entirely prevent the User/Client from using a certain ES or all ES, after prior warning.

13. Informing

- 13.1. LJSE informs the Client mainly about:
- the prospective discontinuance of an ES due to late payment,
 - amendments of the LJSE ES Fee Schedule and Instructions – the parts related to ES,
 - amendments of these General Terms and Conditions,
 - changed technical conditions of use – functionalities of the systems,
 - changed accessibility to ES.
- 13.2. Notices from the previous paragraph are e-mailed to the Client's contact e-mail address given in the ES Lease Agreement. Notices of discontinuance are additionally sent by regular mail.

- 13.3. LJSE usually provides notices from points 2, 3, 4 and 5 of Article 13 (1) three (3) months prior to their taking effect and never later than one (1) month prior to their taking effect. Notices on changed technical conditions of use (point 4) and changed accessibility to ES (point 5) are as a rule provided at least three (3) months prior to the changes taking effect, the only exceptions being if the changes are minor or urgent. Major changes are e.g. new versions of software that could affect the IT architecture adopted by members, and similar. Notices on minor changes of technical conditions of use and accessibility to ES can be provided one (1) month prior to the changes taking effect.
- 13.4. The Client and its authorized officers inform LJSE about changes to authorized officers, errors in the works of the ES that are the object of the LJSE ES Lease Agreement, as well as provide other notices related to the LJSE ES Lease Agreement, all by e-mail to the address upravljanje-trgov@ljse.si.

14. Service Levels

- 14.1. Information system XETRA® is an international trading system used and accessible globally. Its development, operations and maintenance, as well as the provision of LJSE ES, are courtesy of Deutsche Börse, Frankfurt.
- 14.2. Electronic interface CEESEG FIX and information system TTR are international information systems used and accessible globally. Their development, operations and maintenance, as well as the provision of LJSE ES, are courtesy of Deutsche Börse, Frankfurt.
- 14.3. LJSE members access Leased ES via the LJSE CN, which is the local access point to LJSE ES provided on the basis of the services by Deutsche Börse, Frankfurt and Wiener Börse, Vienna (such as J-Trader, CEESEG FIX, TTR, etc) and to those ES that LJSE provides alone (BorzaNet).
- 14.4. LJSE commits to facilitate high service levels for leased ES by providing two geographically separate access points that are connected to service providers from points 14.1. and 14.2. via separate communication connections. Both of these geographically separate access points are adequately equipped to ensure full functionality of all ES and provide access either through a primary or secondary communication connection. Access via backup connections may cause limited system functionalities or diminished system capacities.
- 14.5. In order to facilitate availability and continuity of leased ES in case of service failure at one of the access points, LJSE may have to resort to manual procedures to route the connection to another access point. LJSE commits to provide leased ES in a manner that enables the connection to be routed to another access point within 15 minutes max. for a particular ES. However, the actual availability and re-connection time for individual ES also depend on the members' information solutions and their settings, as well as on the Clients' use and maintenance procedures. The minimum service level in case of a backup connection is the use of one J-Trader platform via the Internet VPN connection.
- 14.6. The availability and functionality of leased ES may be limited or prevented in cases provided by the Rules, when this is necessary to ensure the orderly operations of the regulated market. In facilitating accessibility and functionality of leased ES, LJSE commits to treat all members equally and under the same procedures or at least in a comparable manner given their technological solutions.

- 14.7. The manners and levels of use for ES as well as related continuity procedures are stipulated into more detail for each Client (member) in the minutes upon connectivity and thereafter upon each change of their connection to leased ES. The performance of each ES is examined during the Client's technical connection and thereafter during periodic tests, all of which is recorded in a minutes for each Client separately. LJSE assumes no responsibility for the business continuity procedures that should be undertaken by the Client.
- 14.8. Minor interruptions are those where a particular Client or a smaller group of Clients experience interrupted ES or inaccessible ES, within the scope of the conditions and time frames from par. 14.5. Major interruptions are those where a Client cannot use minimum service levels even after 15 minutes of minor interruptions. Further, major interruptions are those that last for over 15 minutes and are experienced by a larger or significant number of Members, whereby LJSE cannot provide a backup access point or ensure minimum service levels.
- 14.9. LJSE commits to take additional measures, pursuant to the Rules, in order to foster orderly market operations. One of these measures may be a market halt, which is adopted in cases of major interruptions in the works of ES experienced by a larger or significant number of members.
- 14.10. LJSE provides ES with due skill, care and diligence and in compliance with valid regulations and professional rules. In providing these services LJSE must take into account the particularities and possible restrictions arising out of factors listed in paragraphs 1 and 2 of Chapter 14 of these General Terms and Conditions.
- 14.11. Despite its providing ES with due skill, care and diligence and despite the necessary measures adopted, LJSE cannot fully guarantee complete functionality of its ES all the time and warrant that there will be no errors in their works. This is due to potential acts of force majeure and due to the nature of ES, which LJSE cannot influence and fully predict (e.g. computer viruses; blackouts and telecommunication line cut-offs; malicious break-ins into the electronic system; unexpected hardware or software defects; decisions adopted by government bodies, etc).
- 14.12. LJSE will provide Clients with a transparent and orderly overview of the configuration, availability, capacity and functionality of its systems and ES. Given their international character and thus the requirement for all ES to have the same functionality for all international Users of these systems, LJSE cannot guarantee Users that the systems and ES will retain the same or unchanged properties throughout their lease period.

15. LJSE's Liability Limit

- 15.1. LJSE is liable for any possible direct damages within the scope of the ES it supplies to its members only if LJSE, its bodies, employees, subcontractors or other persons acting on its instructions have caused these through intent or gross negligence.
- 15.2. In cases when LJSE could be held liable under the standard of diligence of a good expert to the Client for direct damage incurred due to slight negligence, LJSE hereby limits such compensatory claims to EUR 4,000 per Client.

- 15.3. LJSE is not liable for any potential damage incurred by the Clients or contractual partners due to the non-functioning, inaccurate works or delays in the works of ES. LJSE recommends that the Client adequately stipulates and limits its liability for damages with respect to the provision of ES in its agreements, general terms and conditions and other documents.
- 15.4. Notwithstanding the above, LJSE cannot in any event be held liable for potential damages incurred through the non-functioning, inaccurate works or delays in the works of ES, provided it has enabled the Client alternate access to these services, pursuant to the requirements stipulated by the executive regulation issued by the Securities Market Agency on the detailed organizational requirements for operating a stock market.

16. Member's Liability

- 16.1. The Client is liable for potential direct damages suffered by LJSE under the LJSE ES Lease Agreement if the Client, its bodies, employees, contractors or other persons acting on its instructions have caused these through intent or gross negligence.

17. Force Majeure

- 17.1. Neither LJSE nor the Client are liable for any breach of the LJSE ES Lease Agreement when the inability to meet the Agreement or its provisions results from unexpected or unforeseen events known as force majeure or from acts of government bodies and holders of public powers, which do not depend on the Parties' will or which arise from the nature of ES, and which the Parties' could not expect, prevent or reject.
- 17.2. Force majeure stands for all those unexpected events and force of circumstance that prevent the implementation of contractual obligations and are recognized as force majeure by the court. The Party that suffered force majeure is obliged to provide written notice about it to the other Party as well as inform it when force majeure has ceased, while it must likewise provide credible evidence of the existence and duration of such force majeure not later than within three (3) days after force majeure had appeared or ceased. These periods can be extended by at least the duration of force majeure.

18. Copyright Protection

- 18.1. The Client is aware that Wiener Börse and Deutsche Börse hold property and moral rights on application software of the XETRA systems, which are an integral part of LJSE ES.
- 18.2. The Client is aware that LJSE holds property rights on some of the application software of the information systems that are an integral part of LJSE ES.
- 18.3. The Client is aware that the above listed stock exchanges own registered trademarks (such as XETRA, etc).
- 18.4. The Client commits it will not infringe copyright or trademark rights during the period of its leasing LJSE ES.

19. Data Protection

- 19.1. LJSE will store and protect all data on Users, Clients and Authorized Users as confidential and in compliance with personal data protection regulations.
- 19.2. LJSE may use the Client's firm and the User's name and surname in executing its obligations under ES Lease Agreements.
- 19.3. LJSE and Client agree to disclose to each other under the LJSE ES Lease Agreement confidential information about each other's firms, which they need to provide and use ES, such as data on connections, security settings, failures, status of ES, adequacy of the works of ES, etc. This is provided that they both treat this information as confidential and not disclose it to third persons without the written consent of the other Party as well as not use it for any other purpose that would constitute breach of agreement.
- 19.4. LJSE and Client commit to act pursuant to the provisions of the Market in Financial Instruments Act when such confidential information constitutes inside information.
- 19.5. The obligation to protect confidentiality does not apply to: information that is publicly accessible and that a Party may obtain without intervention; information that a Party receives from a third person without the confidentiality clause; information that must be disclosed under the law, a court order or request by a government or regulatory institution; information that is publicly known at the time of disclosure; information that a Party disposed with even before it obtained it from the other Party; information that a Party obtains from a third person that is not the other contractual Party and without infringement of its obligations under the LJSE ES Lease Agreement.
- 19.6. If the Client comes into contact with confidential data in the course of operative and technological procedures of accessing and using ES, it must immediately inform LJSE as well as restrict and prevent subsequent use and unauthorized dissemination of confidential data.

20. Components

- 20.1. The Ljubljana Stock Exchange Inc. Electronic Services Fee Schedule is a component part of these General Terms and Conditions.

21. Location of Providing ES

- 21.1. The location of providing ES for the purpose of these General Terms and Conditions is the LJSE registered office at Slovenska cesta 56, 1000 Ljubljana, Slovenia.

22. Settlement of Disputes

- 22.1. Any disputes related to ES as stipulated by these General Terms and Conditions will be settled by the competent court in Ljubljana, unless otherwise stipulated by an ES Lease Agreement or other special general terms.

23. Final Provision

- 23.1. The other stipulations, conditions, rights and obligations referring to contractual relationships with Clients are defined in LJSE ES Lease Agreements. If the provisions from the said Agreements differ from those in these General Terms and Conditions, Agreements have precedence.
- 23.2. These General Terms and Conditions and their amendments are adopted by the LJSE Management Board. This is communicated to Clients in the manner and time frames stipulated in Chapter 13 of these General Terms and Conditions, and posted on the LJSE website 30 days prior to the documents taking effect.
- 23.3. These General Terms and Conditions enter into force on 9 September 2010, while entering into use on the day of the actual migration to information system Xetra.
- 23.4. On the day of these General Terms and Conditions entering into use, the General Terms of Electronic Services as at 12 September 2001 terminate.

Ljubljana, 9 September 2010

Ljubljana Stock Exchange

Polona Peterle
Member of the Management Board

Andrej Šketa
President of the Management Board